



Reprinted
February 10, 2009

SENATE BILL No. 471

DIGEST OF SB 471 (Updated February 9, 2009 5:29 pm - DI 102)

Citations Affected: IC 3-5; IC 3-9.

Synopsis: Electronic filing of campaign finance reports. Requires the election division to develop, and the election commission to approve, electronic filing standards for campaign finance reports. Eliminates a requirement that a candidate for legislative office and the candidate's committee file with the county election board of the county in which the candidate resides a duplicate copy of each required report filed with the election division. Establishes a local office large expenditure candidate's committee designation for certain local office candidate committees that receive more than \$10,000 in contributions or make more than \$10,000 in expenditures during a reporting period. Requires a local office large expenditure candidate's committee to file reports, notices, and other instruments electronically with the election division (instead of with a county election board). Reduces from \$50,000 to \$10,000 the contribution threshold for a political action committee to file campaign finance reports electronically. Requires a political action committee to file reports electronically with the election division if the committee makes more than \$10,000 in expenditures in a reporting period. Makes conforming changes to recognize other forms of electronic filing in addition to electronic mail.

Effective: July 1, 2009.

Hershman, Landske

January 14, 2009, read first time and referred to Committee on Elections.
February 2, 2009, reported favorably — Do Pass.
February 9, 2009, read second time, amended, ordered engrossed.

SB 471—LS 6317/DI 102+



C
o
p
y

Reprinted
February 10, 2009

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

SENATE BILL No. 471

A BILL FOR AN ACT to amend the Indiana Code concerning elections.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 3-5-2-29.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 29.2. (a) "Local office large expenditure candidate's committee" means a candidate's committee for the office of:**

(1) judge of:

(A) a court elected by the voters; or

(B) a superior court subject to a retention vote;

(2) prosecuting attorney;

(3) executive (as defined in IC 36-1-2-5) of a political subdivision, if the executive is elected by the voters;

(4) member of a fiscal body (as defined in IC 36-1-2-6) of a political subdivision, if the member is elected by the voters;

(5) county sheriff; or

(6) member of a school board;

that, since the close of the previous reporting period, has received more than ten thousand dollars (\$10,000) in contributions or has made more than ten thousand dollars (\$10,000) in expenditures.

SB 471—LS 6317/DI 102+



C
o
p
y

(b) A candidate's committee that is designated an exploratory committee for an unspecified office in the committee's campaign finance state of organization filed with a county election board is considered a local office large expenditure candidate's committee if, since the close of the previous reporting period, the committee has:

- (1) received more than ten thousand dollars (\$10,000) in contributions; or
- (2) made more than ten thousand dollars (\$10,000) in expenditures.

SECTION 2. IC 3-9-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. Each committee must file a statement of organization not later than noon ten (10) days after it becomes:

- (1) a committee; or
- (2) after December 31, 2009, a local office large expenditure candidate's committee.

SECTION 3. IC 3-9-1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. (a) A committee may disband at any time in the manner prescribed by this section.

(b) The commission or a county election board may administratively disband a committee in the manner prescribed by this section.

(c) The commission has exclusive jurisdiction to disband any of the following:

- (1) A candidate's committee for state office.
- (2) A candidate's committee for legislative office.
- (3) A legislative caucus committee.
- (4) A political action committee that has filed a statement or report with the election division.
- (5) A regular party committee that has filed a statement or report with the election division.

(6) A local office large expenditure candidate's committee.

(d) A county election board has exclusive jurisdiction to disband any of the following:

- (1) A candidate's committee for a local office, **except for a local office large expenditure candidate's committee.**
- (2) A candidate's committee for a school board office, **except for a local office large expenditure candidate's committee.**
- (3) A political action committee that has filed a statement or report with the election board, unless the political action committee has also filed a report with the election division.
- (4) A regular party committee that has filed a statement or report

C
o
p
y



with the election board, unless the regular party committee has also filed a report with the election division.

(e) The commission or a county election board may administratively disband a committee in the following manner:

(1) Not later than the last Friday of January of each year, the election division or county election board shall review the list of committees that have filed statements of organization with the division or board under this article.

(2) If the election division or county election board determines both of the following, the election division or county election board may begin a proceeding before the commission or board to administratively disband the committee:

(A) The committee has not filed any report of expenditures during the previous three (3) calendar years.

(B) The committee last reported cash on hand in an amount that does not exceed one thousand dollars (\$1,000), if the committee filed a report under this article.

(3) The election division or county election board shall provide notice of the proceeding by certified mail to the last known address of the chairman and treasurer of the committee.

(4) The commission or board may issue an order administratively dissolving the committee and waiving any outstanding civil penalty previously imposed by the commission or board, if the commission or board makes the following findings:

(A) There is no evidence that the committee continues to receive contributions, make expenditures, or otherwise function as a committee.

(B) The prudent use of public resources makes further efforts to collect any outstanding civil penalty imposed against the committee wasteful or unjust.

(C) According to the best evidence available to the commission or board, the dissolution of the committee will not impair any contract or impede the collection of a debt or judgment by any person.

(5) The election division shall arrange for the publication in the Indiana Register of an order administratively disbanding a committee. A county election board shall publish a notice under IC 5-3-1 stating that the board has disbanded a committee under this subsection. The notice must state the date of the order and the name of the committee, but the board is not required to publish the text of the order.

(6) An order issued under this subsection takes effect immediately

C
o
p
y



upon its adoption, unless otherwise specified in the order.

(f) If the chairman or treasurer of a committee wishes to disband the committee, the committee must do either of the following:

(1) Give written notification of the dissolution and transfer a surplus of contributions less expenditures to any one (1) or a combination of the following:

(A) One (1) or more regular party committees.

(B) One (1) or more candidate's committees.

(C) The election division.

(D) An organization exempt from federal income taxation under Section 501 of the Internal Revenue Code.

(E) Contributors to the committee, on a pro rata basis.

(2) Use the surplus in any other manner permitted under IC 3-9-3-4.

(g) Except as provided in subsection (e) concerning the waiver of civil penalties, a dissolution or transfer of funds does not relieve the committee or the committee's members from civil or criminal liability.

SECTION 4. IC 3-9-4-4, AS AMENDED BY P.L.164-2006, SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) The election division shall develop a filing and coding system consistent with the purposes of this article. The election division and each county election board shall use the filing and coding system. The coding system must provide:

(1) not more than ten (10) codes to account for various campaign expenditure items; and

(2) a clear explanation of the kinds of expenditure items that must be accounted for under each code.

(b) The election division shall develop and use a computer system to store campaign finance reports required to be filed under IC 3-9-5-6, IC 3-9-5-10, and IC 3-9-5-20.1. The computer system must enable the election division to do the following:

(1) Identify all candidates or committees that received contributions from a contributor over the past three (3) years.

(2) Identify all contributors to a candidate or committee over the past three (3) years.

(3) Provide for electronic submission, retrieval, storage, and disclosure of campaign finance reports of:

(A) candidates for: ~~the following:~~

~~(A) Legislative office.~~

~~(B) State office.~~

(i) legislative office; or

(ii) state office; or

C
o
p
y



(B) after December 31, 2009, a local office large expenditure candidate's committee.

The election division shall provide training at no cost to candidates to enable candidates described in this subdivision to file campaign finance reports ~~electronically~~; **that comply with electronic filing standards approved by the commission.**

(c) The election division shall notify each candidate's committee that the election division will provide at the committee's request at no cost a standardized software program to permit the committee to install the software on a computer and generate an electronic version of the reports and statements required to be filed with the election division under this article. **The election division shall develop electronic filing standards for the reports and statements, and the standards, to be effective, must be approved by the commission.** However, the election division is not required to provide or alter the software program to make the program compatible for installation or operation on a specific computer.

(d) This subsection applies to the following committees:

(1) A committee for a candidate seeking election to a state office.

(2) A political action committee that:

(A) has received more than fifty (ten) thousand dollars (\$50,000) (\$10,000) in contributions; or

(B) has made more than ten thousand dollars (\$10,000) in expenditures;

since the close of the previous reporting period.

The committee must file electronically the report or statement required under this article with the election division using ~~a standardized software program supplied to the committee without charge under subsection (c) or another format~~ **electronic filing standards approved by the election division. An electronic filing approved by the election division under this subsection may not require manual reentry into a computer system of the data contained in the report or statement in order to make the data available to the general public under subsection (g): commission.**

(e) This subsection applies to an electronic submission under subsection (b)(3). An electronic submission must be in a format previously approved by the commission that permits the election division to print out a hard copy of the report after the receipt of the electronic submission from the candidate. Filing of a report occurs under IC 3-5-2-24.5 on the date and at the time electronically recorded by the election division's computer system. If a discrepancy exists between the text of the electronic submission and the printed report, the

C
o
p
y



text of the printed report prevails until an amendment is filed under this article to correct the discrepancy.

(f) The election division is not required to accept an electronic submission unless the submission complies with ~~subsection (b)(3):~~ **Upon receiving approval from the commission, the election division may accept an electronic submission from candidates, committees, or persons described in subsection (b)(3): electronic filing standards approved by the commission.**

(g) The election division shall make campaign finance reports stored on the computer system under subsection (b) available to the general public through an on-line service.

SECTION 5. IC 3-9-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. The following persons, whenever required to file a report, notice, or other instrument by this article, shall file it with the election division:

(1) Candidates for state office and their candidate's committees.

(2) The following central committees:

(A) State committees.

(B) Congressional district committees.

(3) Other regular party committees that propose to influence the election of a candidate for state or legislative office or the outcome of a public question for or against which the electorate of the whole state may vote.

(4) Political action committees that propose to influence the election of a candidate for state or legislative office or the outcome of a public question for or against which the electorate of the whole state may vote.

(5) Legislative caucus committees.

(6) After December 31, 2009, local office large expenditure candidate's committees.

SECTION 6. IC 3-9-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. A candidate for legislative office and the candidate's committee shall file each report, notice, or other instrument required by this article with the election division. ~~The candidate and committee shall also file a duplicate copy with the county election board of the county in which the candidate resides.~~

SECTION 7. IC 3-9-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. The following persons, whenever required to file a report, notice, or other instrument by this article, shall file it with the county election board of each county comprising part of the affected election district:

(1) Candidates for local office and their candidate's committees,

C
o
p
y



1 **except, after December 31, 2009, local office large expenditure**
 2 **candidate's committees.**

3 (2) Regular party committees that are not required to file with the
 4 election division.

5 (3) Political action committees that are not required to file with
 6 the election division.

7 SECTION 8. IC 3-9-5-7 IS AMENDED TO READ AS FOLLOWS
 8 [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) A person may deliver reports
 9 to the appropriate office as follows:

10 (1) By hand, **unless the report must be filed electronically.**

11 (2) By mail, **unless the report must be filed electronically.**

12 (3) By electronic ~~mail~~, **filing**, if the **report complies with**
 13 **electronic filing standards approved by the commission and**
 14 **the** appropriate office has the capacity to do all of the following:

15 (A) Receive electronic ~~mail~~, **filings**.

16 (B) Electronically record the date and time that **the** electronic
 17 ~~mail filing~~ is received by the office.

18 (C) Print out a hard copy of the report after the receipt of the
 19 electronic ~~mail filing~~ by the office.

20 (b) Reports must be filed as follows:

21 (1) Hand delivered reports or reports transmitted by mail must be
 22 filed with the appropriate office during regular office hours not
 23 later than noon seven (7) days after the date of the report.

24 (2) Reports delivered by electronic ~~mail~~ **filing** must be filed with
 25 the appropriate office not later than noon seven (7) days after the
 26 date of the report.

27 (c) This subsection applies to a report delivered by electronic ~~mail~~.
 28 **filing**. Filing of a report occurs under IC 3-5-2-24.5 on the date and at
 29 the time electronically recorded by the office's computer system. If a
 30 discrepancy exists between the text of the electronic ~~mail filing~~ and the
 31 printed report, the text of the printed report prevails until an
 32 amendment is filed under this article to correct the discrepancy.

33 (d) An office is not required to accept a report or statement required
 34 under this article by facsimile transmission. Upon approval of a policy
 35 by the commission or a county election board to receive reports or
 36 statements by facsimile transmission, the election division or the
 37 county election board may accept the facsimile transmission of a report
 38 or statement.

C
O
P
Y



COMMITTEE REPORT

Madam President: The Senate Committee on Elections, to which was referred Senate Bill No. 471, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 471 as introduced.)

LANDSKE, Chairperson

Committee Vote: Yeas 8, Nays 0.

SENATE MOTION

Madam President: I move that Senate Bill 471 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 3-5-2-29.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 29.2. (a) "Local office large expenditure candidate's committee" means a candidate's committee for the office of:

(1) judge of:

(A) a court elected by the voters; or

(B) a superior court subject to a retention vote;

(2) prosecuting attorney;

(3) executive (as defined in IC 36-1-2-5) of a political subdivision, if the executive is elected by the voters;

(4) member of a fiscal body (as defined in IC 36-1-2-6) of a political subdivision, if the member is elected by the voters;

(5) county sheriff; or

(6) member of a school board;

that, since the close of the previous reporting period, has received more than ten thousand dollars (\$10,000) in contributions or has made more than ten thousand dollars (\$10,000) in expenditures.

(b) A candidate's committee that is designated an exploratory committee for an unspecified office in the committee's campaign finance state of organization filed with a county election board is considered a local office large expenditure candidate's committee if, since the close of the previous reporting period, the committee has:

(1) received more than ten thousand dollars (\$10,000) in

SB 471—LS 6317/DI 102+



C
o
p
y

contributions; or

(2) made more than ten thousand dollars (\$10,000) in expenditures.

SECTION 2. IC 3-9-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. Each committee must file a statement of organization not later than noon ten (10) days after it becomes:

(1) a committee; or

(2) after December 31, 2009, a local office large expenditure candidate's committee.

SECTION 3. IC 3-9-1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. (a) A committee may disband at any time in the manner prescribed by this section.

(b) The commission or a county election board may administratively disband a committee in the manner prescribed by this section.

(c) The commission has exclusive jurisdiction to disband any of the following:

- (1) A candidate's committee for state office.
- (2) A candidate's committee for legislative office.
- (3) A legislative caucus committee.
- (4) A political action committee that has filed a statement or report with the election division.
- (5) A regular party committee that has filed a statement or report with the election division.

(6) A local office large expenditure candidate's committee.

(d) A county election board has exclusive jurisdiction to disband any of the following:

- (1) A candidate's committee for a local office, **except for a local office large expenditure candidate's committee.**
- (2) A candidate's committee for a school board office, **except for a local office large expenditure candidate's committee.**
- (3) A political action committee that has filed a statement or report with the election board, unless the political action committee has also filed a report with the election division.
- (4) A regular party committee that has filed a statement or report with the election board, unless the regular party committee has also filed a report with the election division.

(e) The commission or a county election board may administratively disband a committee in the following manner:

- (1) Not later than the last Friday of January of each year, the election division or county election board shall review the list of committees that have filed statements of organization with the

C
o
p
y



division or board under this article.

(2) If the election division or county election board determines both of the following, the election division or county election board may begin a proceeding before the commission or board to administratively disband the committee:

(A) The committee has not filed any report of expenditures during the previous three (3) calendar years.

(B) The committee last reported cash on hand in an amount that does not exceed one thousand dollars (\$1,000), if the committee filed a report under this article.

(3) The election division or county election board shall provide notice of the proceeding by certified mail to the last known address of the chairman and treasurer of the committee.

(4) The commission or board may issue an order administratively dissolving the committee and waiving any outstanding civil penalty previously imposed by the commission or board, if the commission or board makes the following findings:

(A) There is no evidence that the committee continues to receive contributions, make expenditures, or otherwise function as a committee.

(B) The prudent use of public resources makes further efforts to collect any outstanding civil penalty imposed against the committee wasteful or unjust.

(C) According to the best evidence available to the commission or board, the dissolution of the committee will not impair any contract or impede the collection of a debt or judgment by any person.

(5) The election division shall arrange for the publication in the Indiana Register of an order administratively disbanding a committee. A county election board shall publish a notice under IC 5-3-1 stating that the board has disbanded a committee under this subsection. The notice must state the date of the order and the name of the committee, but the board is not required to publish the text of the order.

(6) An order issued under this subsection takes effect immediately upon its adoption, unless otherwise specified in the order.

(f) If the chairman or treasurer of a committee wishes to disband the committee, the committee must do either of the following:

(1) Give written notification of the dissolution and transfer a surplus of contributions less expenditures to any one (1) or a combination of the following:

(A) One (1) or more regular party committees.

**C
o
p
y**



- (B) One (1) or more candidate's committees.
- (C) The election division.
- (D) An organization exempt from federal income taxation under Section 501 of the Internal Revenue Code.
- (E) Contributors to the committee, on a pro rata basis.
- (2) Use the surplus in any other manner permitted under IC 3-9-3-4.
- (g) Except as provided in subsection (e) concerning the waiver of civil penalties, a dissolution or transfer of funds does not relieve the committee or the committee's members from civil or criminal liability."
- Page 2, line 3, after "reports of" insert "**(A)**".
- Page 2, line 3, after "for" insert ":".
- Page 2, line 3, strike "the".
- Page 2, strike lines 4 through 6, begin a new line triple block indented and insert:
 - "(i) legislative office; or**
 - (ii) state office; or**
 - (B) after December 31, 2009, a local office large expenditure candidate's committee."**
- Page 2, line 24, after "that" insert "**(A)**".
- Page 2, line 24, strike "fifty" and insert "**ten**".
- Page 2, line 25, strike "(\$50,000)" and insert "**(\$10,000)**".
- Page 2, line 25, after "contributions" insert "; **or**
 - (B) has made more than ten thousand dollars (\$10,000) in expenditures;"**
- Page 2, line 25, block indent beginning with "since".
- Page 3, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 5. IC 3-9-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. The following persons, whenever required to file a report, notice, or other instrument by this article, shall file it with the election division:

 - (1) Candidates for state office and their candidate's committees.**
 - (2) The following central committees:**
 - (A) State committees.**
 - (B) Congressional district committees.**
 - (3) Other regular party committees that propose to influence the election of a candidate for state or legislative office or the outcome of a public question for or against which the electorate of the whole state may vote.**

C
o
p
y



(4) Political action committees that propose to influence the election of a candidate for state or legislative office or the outcome of a public question for or against which the electorate of the whole state may vote.

(5) Legislative caucus committees.

(6) After December 31, 2009, local office large expenditure candidate's committees."

Page 3, between lines 18 and 19, begin a new paragraph and insert:
 "SECTION 7. IC 3-9-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. The following persons, whenever required to file a report, notice, or other instrument by this article, shall file it with the county election board of each county comprising part of the affected election district:

(1) Candidates for local office and their candidate's committees, **except, after December 31, 2009, local office large expenditure candidate's committees.**

(2) Regular party committees that are not required to file with the election division.

(3) Political action committees that are not required to file with the election division."

Page 3, line 22, after "hand" delete "." and insert ", **unless the report must be filed electronically.**"

Page 3, line 23, after "mail" delete "." and insert ", **unless the report must be filed electronically.**"

Page 3, line 24, strike "mail," and insert "**filing**,"

Page 3, line 27, strike "mail." and insert "**filings**."

Page 3, line 28, after "that" insert "**the**".

Page 3, line 28, strike "mail" and insert "**filing**".

Page 3, line 31, strike "mail" and insert "**filing**".

Page 3, line 36, strike "mail" and insert "**filing**".

Page 3, line 39, strike "mail." and insert "**filing**".

Page 3, line 42, strike "mail" and insert "**filing**".

Renumber all SECTIONS consecutively.

(Reference is to SB 471 as printed February 3, 2009.)

HERSHMAN

C
o
p
y

